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CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 17 February 1955

MEMORANDUM FOR:

Deputy Director (Intelligence)

SUBJECT:

Offshore Island Situation

#### General

Due to normal fishing activities and clever camouflage measures by the Chinese Communists, any shipping or ground force build-up for the invasion of offshore islands is most difficult to detect, according to MAAG officials in Taipei. The Chinese Nationalists have four modified jet fighter trainers and there are three specially-equipped F-86's en route from Okinawa, all of which will be used for photo reconnaissance aimed at detecting such build ups in the coastal areas. MAAG has assigned top priority to this mission in the Chinese Nationalist air force.

### Nanchishan

The Nanchishan defense commander, formerly deputy commander of the Tachens, has been authorized to evacuate, at his discretion, the 2,200 civilians now on Nanchishan, according to MAAG.

Nanchishan is currently without radar, but a survey team augmented by MAAG advisers on 15 February were busy planning 25X1 for radar installation.

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Negative.

# Quemoy

Press accounts from Taipei say the Communists fired 90 rounds of artillery at the Quemoys on 17 February, in the heaviest firing in several weeks. The current shelling does not compare, however, to the concentrated Communist fire last fall.

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Chinese Communist propaganda activity has increased in the Quemoy area recently. Methods used have included the release of small boats with propaganda painted on them, use of rafts, kites, and artillery shells. The use of propaganda bombs, employed on at least two occasions in the Tachens, has not been reported at Quemoy. The propaganda urges Nationalist troops to defect and enjoy rich lives on the mainland.

# Weather

In the next 48 hours, the Formosa Straits area will be partly cloudy with patches of coastal fog and occasional light rain. Winds will be northeast, 10-25 knots.

# Cease-Fire Prospects

Pravda on 16 February criticized Nehru for suggesting that Nationalist China should participate in the Geneva-type discussions proposed by Moscow. Pravda's stand supports the public and private insistence of Chinese Communist leaders that they will not take part in any discussions in which Nationalist China is represented.

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